

NOTE BY THE DIRECTOR-GENERAL**SUMMARY OF NOMINATIONS
FOR THE EXTERNAL AUDITOR OF THE OPCW**

The Director-General has received from the delegation of the United Kingdom of Great Britain and Northern Ireland the following supplementary information concerning its bid for the position of External Auditor of the OPCW:

Text:

1. The Note by the Executive Secretary of 6 May 1997 (C-I/DG.1) entitled "Summary of Nominations for the External Auditor of the OPCW" described the three nominations received from India, the Netherlands and the United Kingdom of Great Britain and Northern Ireland respectively. The bid by the Comptroller and Auditor-General of the National Audit Office of the United Kingdom emphasised the Office's high professional competence, extensive international experience and knowledge of the Organisation itself. The United Kingdom firmly believes that its National Audit Office would provide a highly professional and cost-effective service.
2. The estimated maximum fees payable for these audits would be Dfl. 174,000 for the 1997 accounts (a part year), and Dfl. 218,000 for 1998. The fees reflect the inclusion in the bid, in addition to a full basic audit of accounts, of provision for thorough value-for-money examinations. In drawing up its bid on this basis, the National Audit Office of the United Kingdom sought to meet to the fullest possible extent the requirements set out in subparagraph 13.4 of the OPCW's draft Financial Regulations; as well as subparagraph 6(c) of the additional Terms of Reference Governing External Audit.
3. However, bearing in mind the scope of the other bids now received and the Organisation's desire to keep its costs as low as possible, the United Kingdom is pleased to present a supplementary, alternative version of its bid. This comprises the same full and thorough audit of the Organisation's accounts as in the United Kingdom's original bid, but reduces the volume of value-for-money audit work. The total man-days involved are reduced from 197 (1997) and 240 (1998) to approximately 100 and 125 respectively. The revised overall fees for this UK bid come to Dfl. 95, 000 for 1997 and Dfl. 118,000 for the 1998 accounts. States Parties or the Executive Council could of course request further supplementary value-for-money examinations, should it deem these necessary, on a repayment basis.

4. The United Kingdom offers this alternative bid for the consideration of States Parties. In doing so it would point out that both its proposed bids involve no subsidy to the client organisation. The United Kingdom believes that this is the fairest and most equitable basis on which to place the contract for the Organisation's external audit, and the basis which can best ensure the independence and objectivity of that audit.

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